



The State of the Region

HAMPTON ROADS 2014

REGIONAL STUDIES INSTITUTE | OLD DOMINION UNIVERSITY

**VIRGINIA BEACH-NORFOLK-
NEWPORT NEWS, VA-NC
METROPOLITAN STATISTICAL AREA**



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Dear Reader:

This is Old Dominion University's 15th annual State of the Region report. While it represents the work of many people connected in various ways to the university, the report does not constitute an official viewpoint of Old Dominion, or its president, John R. Broderick. The State of the Region report maintains the goal of stimulating thought and discussion that ultimately will make Hampton Roads an even better place to live. We are proud of our region's many successes, but realize it is possible to improve our performance. In order to do so, we must have accurate information about "where we are" and a sound understanding of the policy options available to us.

The 2014 report has a strong economic development flavor and is divided into seven parts:

Rebounding, Albeit Slowly: In a nutshell, our regional economy continues to recover, but still has not regained the jobs lost in the 2008 recession.

Mixed Signals: Migration Data and Regional Economic Vitality:

Between 2010 and 2013, our region experienced net out-migration, after taking account of births and deaths. We are, however, attracting many new immigrants from abroad.

Megachurches in Hampton Roads: There are 14 "megachurches" in Hampton Roads and each enjoys an average attendance in excess of 2,000 weekly. They are redefining organized religion in our region.

Homeless Children in Hampton Roads: Estimating the Costs to Society: More than 22 percent of homeless people are children under age 18. We focus on the work of the organization ForKids Inc. as a way to estimate these costs and benefits of homelessness to society.

The Impact of Vehicle Tolls on Hampton Roads: Job Mobility, Residential Living Choices and Regional Cohesion: This was one of the hottest topics in Hampton Roads this past year and we analyze the probable effects of those tolls on our region.

Economic Development Incentives: Competing Against Ourselves?

Is the time-honored strategy of providing financial incentives to attract new firms the most productive way for our region to proceed, or instead should we be looking at alternatives such as "gardening" existing firms and creating "innovation districts"?

The Answer Is Always "Yes": In a related chapter, we point out that our cities persistently ignore available evidence and choose to provide large financial subsidies for arenas, stadiums, convention centers and hotels.

Old Dominion University continues to provide support for this report. However, it would not appear without the vital backing of the private donors whose names appear below. They believe in Hampton Roads and the power of rational discussion to improve our circumstances, but are not responsible for the views expressed in the report.

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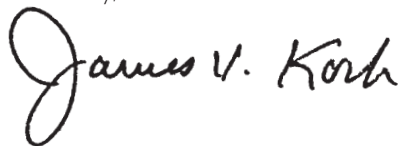
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Special recognition is due Vinod Agarwal, director of the Economic Forecasting Project for his help and assistance.

Our hope is that you, the reader, will be stimulated by the report and will use it as a vehicle to promote productive discussions about our future. Please contact us at jkoch@odu.edu (757-683-3458) or gwagner@odu.edu (757-683-3500) should you have any questions.

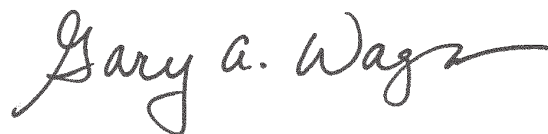
All 15 of the State of the Region reports may be found at www.odu.edu/forecasting and www.jamesvkoch.com. Single paper copies may be purchased for \$25.

Sincerely,



James V. Koch

Board of Visitors Professor of Economics
and President Emeritus



Gary A. Wagner

Professor of Economics

Table of Contents

Rebounding, Albeit Slowly . . . 3

Mixed Signals: Migration Data And Regional Economic Vitality . . . 41

Megachurches In Hampton Roads . . . 57

Homeless Children In South Hampton Roads: Estimating The Costs To Society . . . 71

The Impact Of Vehicle Tolls On Hampton Roads:

Job Mobility, Residential Living Choices And Regional Cohesion . . . 91

Economic Development Incentives: Competing Against Ourselves? . . . 109

The Answer Is Always "Yes": How Our Cities Repeatedly Ignore The Evidence And Choose To Construct Unprofitable And Unneeded New Convention And Hotel Capacity . . . 131

Cover: Clockwise from top
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